

TERRACOM, INC., YOURTEL AMERICA, INC.

# Application to Participate in the Broadband Lifeline Pilot Program

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## Supplemental Information

**YourTel America, Inc. and TerraCom, Inc. Joint Broadband Pilot Team**

**8/17/2012**

On August 14, 2012, representatives of the YourTel America, Inc. and TerraCom, Inc. Joint Broadband Pilot Team (“BPT”) held a conference call with members of the FCC’s Telecommunications Access Policy Division to discuss the Joint Application. Commission Staff asked a number of questions concerning the Application; the clarifications to which are provided here as supplemental information.

## **TESTING GOALS**

1. Primary Testing – The BPT will primary be testing to determine the following attributes of customer broadband access and usage:
  - a. Choice of a Smartphone versus data device
  - b. Choice of rate plan
  - c. Adoption with and without subsidy
  - d. Adoption with no monthly bill versus a monthly cost
  - e. Geographic differences between the three states
  - f. Tribal versus non-tribal differences
  - g. Broadband retention with or without subsidy
2. Secondary Testing – The BPT hopes to additionally learn some of the following:
  - a. Choice of device compared to other demographic criteria
  - b. General user demographic data
  - c. Changing of rate plan based on subsidy
  - d. Digital literacy levels and needs
  - e. Need for a PC
  - f. Purchasing of additional data
  - g. Usage patterns
  - h. Effectiveness of marketing and outreach

## **PARTICIPANT ELIGIBILITY**

As the Pilot Program is a federally funded and initiated project, the BPT will follow Lifeline Federal certification rules as laid out in §54.410, recently modified in FCC 12-11, and will only certify those qualified via a federal qualifying or tribal assistance program to participate in the program

The BPT will create an application form specifically for this program. This form will be utilized in conjunction with the current Lifeline Certification and will contain language that that applicant consent to any data collection required for the success of this Pilot including the online

survey referenced in Public Notice DA 12-683 and for which the BPT will rely upon USAC to collect.

A participant currently receiving Lifeline voice service will be regarded as eligible to also receive a Lifeline Broadband subsidy under this Pilot Program.

### **APPLICANT SIGN-UP**

To re-cap, the BPT will directly contact existing customers in the requested study areas to offer broadband service. New customers will be reached through existing marketing strategies and, advertisements and through use of local company representatives and retail locations.

Applicants will be directed to apply for service by mail, retail locations, company representatives and company website.

### **CUSTOMER PLAN CHOICE AND SUBSIDY ASSIGNMENT**

1. During the application process, the customer will provide Lifeline eligibility and address information and select their choice of a Smartphone or a data device and one of the following plans.

- b. a 250 MB plan for \$10 per month or
- c. a 500 MB plan for \$20 per month or
- d. a 1 GB plan for \$40 per month.

2. Upon being determined eligible for the Pilot Program, any applicant whose first number in their address begins with an even number (i.e. 222 Main Street) will be placed in Group A (Control Group) and will not receive a subsidy. Applicants whose first number in their address is an odd number (i.e. 1313 Mockingbird Lane) will be placed in Group B. When any group has reached its capacity all other applicants will be rejected.

3. Group B will be further selected for their amount of subsidy.

Based on the format of the participant's zip code, a participant in Group B will either receive a subsidy of:

- a. \$10 per month (zip code ending in 1,2,3)
- b. \$20 per month (zip code ending in 4,5,6)
- c. \$40 per month (zip code ending in 7,8,9,0)

*It is important to understand that all participants will make an upfront choice of **plan and device**, but the BPT will determine the awarded **subsidy based on the above process**. There is no correlation between the plan selected and subsidy. Should a participant choose a plan with a cost that exceeds the subsidy, the participant will be responsible for paying the difference.*

## **DATA CAP/ADDITIONAL DATA OPTIONS**

Should a participant exhaust the 30 day allotted usage associated with their plan, the participant will be directed to a website and given the option of purchasing additional data usage. The data cap is a “hard stop” and access to the top-up site will always be free of charge and accessible even if there is no usage available.

Additional Data can be purchased in the following amounts:

250 MB for \$10 per month or  
500 MB for \$20 per month or  
1 GB for \$40 per month.

## **TETHERING**

Tethering will not be available.

## **TRAINING**

As stated in the Application, the BPT will partner with Connected Nation for no cost online digital literacy training. YourTel/TerraCom will also be providing information to participants regarding obtaining affordable computers from Connected Nation.

Participants who select a Smartphone and who express a need for training will be directed to local libraries or other outlets that have the capacity to provide online training.

**Certificates by Officer**

Under penalty of perjury, the Officer of the joint Companies reiterates the following:


*That the joint Companies intend to offer broadband service pursuant to the Commission's rules and regulations for the Lifeline program;*

*That the joint Companies will implement all necessary procedures and efforts to prevent waste, fraud and abuse in connection with its participation in the Pilot Program, including but not limited to procedures that the joint Companies will have in place to prevent duplicate broadband subsidies within its subscriber base, and procedures the carrier undertakes to de-enroll subscribers receiving more than one broadband discount per household;*

*That the joint Company's broadband service offering(s) will provide sufficiently low latency to enable use of real-time applications such as Voice over Internet Protocol (VoIP) and if there are usage limits for each plan, that they are reasonably comparable to usage limits for comparable broadband offerings in urban areas; and*

*That the joint Companies will participate in the collection and sharing of anonymized qualitative and quantitative data with standardized data elements, formatting, and submission requirements, and that the ETC will participate in workshops to discuss interim and final results of the project, and how best to use limited universal service funds to increase low-income consumers' adoption of broadband services.*

*That the information presented in this supplement is true to the best of my knowledge.*

  
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Dale Schmick  
Vice President